

JCPENNEY Successfully Completes \$248 Million Monetization Of Non-Core Real Estate Assets

PLANO, Texas, July 23, 2012 /PRNewswire/ -- J. C. Penney Company, Inc. ("jcpenny") (NYSE:JCP) today announced that Simon Property Group, Inc. (NYSE:SPG) has redeemed two million units of limited partnership interest in Simon's operating partnership subsidiary, Simon Property Group, L.P., from jcpenny for cash consideration of \$248 million. Simon Property Group, L.P. is the operating partnership of Simon Property Group, Inc.

(Logo: <https://photos.prnewswire.com/prnh/20110222/DA51975LOGO>)

"Last year, as we began our journey to transform jcpenny, we determined it was necessary to review and, where appropriate, monetize assets that are not core to our operations," said Chief Financial Officer Ken Hannah. "Today's announcement represents the first step toward executing this plan. In addition, converting this non-core asset into \$248 million of cash enhances the Company's already strong balance sheet and liquidity."

Following the transaction, JCP Realty, Inc., a wholly-owned subsidiary of jcpenny, continues to hold approximately 205,000 limited partnership units in Simon's operating partnership. J.P. Morgan Securities LLC acted as an advisor for this transaction.

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About jcpenny:

Over 110 years ago, James Cash Penney founded his company on the principle of treating customers the way he wanted to be treated himself: fair and square. Today, rooted in its rich heritage, J. C. Penney Company, Inc. (NYSE: JCP) is re-imagining every aspect of its business in order to reclaim its birthright and become America's favorite store. The Company is transforming the way it does business and remaking the customer experience across its 1,100 jcpenny stores and on jcp.com. At every visit, customers will discover straightforward Fair and Square Pricing, exceptionally curated merchandise, artful presentation, and unmatched customer service. For more information about jcpenny, visit jcp.com.

SOURCE J. C. Penney Company, Inc.